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ABSTRACT

A process for selecting peer institutions for budget and program review of public postsecondary institutions is discussed. Data from the Integrated Postsecondary Education Data System (IPEDS), a national database, were used to select peer institutions. The first task was to identify the kinds of institution representatives to include as participants in selecting the institutional peer groups, such as the president or chancellor, institutional planners and researchers, executive and budget officers, and possibly focus groups representing faculty, deans, and others. Steps involved in the planning process were: (1) definition of purpose, (2) identifying the uniqueness of target institutions, (3) the initial screening process, (4) data fact finding and information gathering, (5) developing a model for screening potential peers, (6) making the final selection, and (7) validating the peer list. Three alternative data/information models are explained: the data model, the analytical model, and the information model. Checking mechanisms, which although not essential to a selection process, were considered to help confirm the planning steps. These mechanisms included using consultants and ad hoc comparisons, as well as information from multiple sources and using multiple data/information models. Finally, a periodic review by surveys, and especially with the IPEDS data allows tracking the peer institutions for changes. (Contains 14 references.) (SW)

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Using IPEDS Data for Selecting Peer Institutions

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Abstract

A 1991 statute directs the coordinating board to establish public postsecondary institution peer groups for purposes of budget and program review. The outcome used a process that included data analysis, with the Integrated Postsecondary Education Data System, IPEDS, survey data as the national database.

Considerations essential to a peer selection process include:

- Identifying institution participants
- Essential elements of a planning model
- The relation of data analysis and reasoning
- Checking mechanisms
- Long-term evaluations

The experience was directed by an external entity. The processes apply equally well for peer selection directed from within a single institution.

for Management Research, Policy Analysis, and Planning

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Jean Endo
Editor
AIR Forum Publications

Definition of Terms

- A **peer institution** is one which is representative of the target institution to which it is compared. Another name is benchmark institution.
- A **peer group** is a set of peer institutions which are sufficiently similar in mission, programs, size, students, wealth, etc. to establish basic central tendencies.
- A **selection group** is a restricted set of institutions that is derived from a fairly large source group, and that serves as a list for selectively choosing peer institutions.

> Before a burglary trial, the judge explained to the defendant, "You can let me try your case, or you can choose to have a jury of your peers."
>
> The man thought for a moment. "What are peers?" he asked.
>
> "They're people just like you- your equals."
>
> "Forget it," retorted the defendant. "I don't want to be tried by a bunch of thieves."[1]

The point is most of us know some of our peers. Your peers are people just like you, that you consider to be your equals.

This experience in selecting peer institutions was guided by a Comprehensive Statewide Plan for Postsecondary Education that defines the State Higher Education Coordinating Commission's purpose in establishing peer groups. That definition of purpose is the following:

A peer institution is one which is representative of the institution to which it is compared.

- In the context of the Comprehensive Plan, the Coordinating Commission will provide a list of peer institutions for each of the public postsecondary institutions.

- Peer groups will be used for budget and program review as well as for other comparisons that will aid in Commission decision-making. The Commission's purposes for the use of peer groups are not to influence the collective bargaining process.[2]

Defining the purpose for which a peer group is being selected is a first step in a peer selection process. A precise and appropriate definition of purpose is a key to achieving a useful peer group.

Throughout the process of selecting peers for all 13 public postsecondary educational institutions, the Coordinating Commission's goal was to identify institutions which came as close as possible to being mirror images of the target institution, as opposed to aspirational or competitor institutions.

"**Peers** are institutions sufficiently similar in mission, programs, size, students, wealth, etc. to establish basic central tendencies. **Aspirational institutions** in some ways excel the host institution which would like to emulate t ir accomplishments and set similar goals. **Competitors** are rival institutions contesting for students, faculty, research dollars, etc."[3]

The uniqueness of each institution makes selection of pure mirror images very improbable. The Commission's intent was to designate institutions which are sufficiently similar in role and mission, programs, size, student and staff demographics, budget, etc., to provide valid comparisons that would help the Commission meet its statutory responsibilities in the areas of program and budget review.

Considerations Essential to a Peer Selection Process

A 1991 statute directs the Coordinating Commission to establish public postsecondary institution peer groups for purposes of budget and program review. The outcome used a process that included data summary and information analysis, with the Integrated Postsecondary Education Data System, IPEDS, survey data as the national database. Considerations for the peer selection process include:

- Identifying institution participants
- Essential elements of a planning model
- Relation of data analysis and reasoning

- Checking mechanisms
- Long term evaluations

These are the areas discussed in this paper.

Kinds of Institution Representatives to Include as Participants

Peer institution selection is very much a group activity, but there are limited roles. Participation needs to be restricted, especially at the decision points.

Choosing people to participate raises several questions. First, what kinds of institution representatives are needed? A second question is, What are the appropriate roles and the extent of participation for different representatives? Both responses recognize a top-down approach. Following the chain of command, the president or chancellor is invited to actively participate, or to name alternates.

The decision group will be the executive officer, one or two close advisors, and possibly an institution planner. The executive officer needs to participate at the beginning and end of the process. This participation includes the definition of purpose, and in making the final peer group selection. Others will perform the operational steps of reducing an initial peer candidate list. If consultants are used, then the executive officer needs to be invited to participate in their selection.

In this experience, with one exception, the community college and state college presidents were active participants. The chief executive typically brought one or two trusted assistants, usually an academic vice president or a dean of instruction to the meetings. The university president or chancellor may be unwilling to personally participate in other than the initial planning and the final peer selection-decision meetings. However, if provided a preliminary peer list, the executive officer will indicate unacceptable peer candidates.

Planners, institutional researchers, budget officers and other analysts can perform the operational steps. This includes delineating the target institution's role and mission, performing the initial screening-out

of non-contender institutions, data fact finding and information gathering, and developing a model for reducing a selection group of not more than two dozen institutions to a peer group.

Faculty participation, per se, offers limited benefits. Powers and Powers (1983) indicate "The vast majority of faculty members are deeply committed to their teaching and research duties. It is understandable that they feel too busy to be involved in consultation except when protecting their own activities becomes necessary."[4] Individual faculty members were not invited to participate in the peer selection process.

Faculty senate officers can provide meaningful inputs as a focus group, in providing a viewpoint to help fine tune the target institution's uniqueness, and to suggest selection criteria. Other focus groups can be a council of deans, graduate and research councils, special program officials - such as a university hospital council, and student senate officers. Focus groups give credibility to the process by being active participants. And they can provide information that is useful to consultants. The focus groups do not participate in making the final peer group selection.

Essential Elements of a Planning Model

The essential steps of a planning model provide an outline for selecting a peer group. This is summarized in seven steps:

Step 1: Definition of Purpose

The purpose can be predefined by statute. Otherwise, planned usages can drive the definition of purpose. Common usages for a peer group include academic program review, budget analysis, establishing student tuition and fee rates, or for faculty salary comparisons.

The purpose, placed in print, gives a fixed target. This is key to a determination of information used for a peer group selection. For example, a usage for budget planning warrants revenue measures including federal/state/local appropriations, government grants and private gifts, student tuition, and expenditures including instruction, research, academic support, hospitals, scholarships/fellowships, and more. The

president and other top administrators should define the purpose. Given a clearly defined purpose, others can carry out the process steps.

Step 2: Identifying the Uniqueness of the Target Institution

Identifying the target institution's uniqueness at the onset of planning gives direction to the selection process. Here are some suggestions for identifying the uniqueness:

- View its role and mission statement and compare this with others in the system and state.
- Search for areas of academic excellence or recognized areas of prominence.
- Consider territorial rights, that is, statewide authority to offer specific programs. If rights exist, identify the specific programs, research, or public service areas.
- Identify its program accreditations. These cost dollars to attain, and to maintain. They are one indicator of the institution's program priorities.

The institution's role and mission and prominent programs are printed in its catalog, and in its most recent strategic plan or document for institutional accreditation review. A surprising amount of uniqueness information appears in the front pages of the college or university catalog. This is identified as a brief history, an introduction, governance, mission of the university, or simply as a profile of the institution.

The uniqueness can be identified by the analyst, but should be confirmed by a top administrator, or a consultant.

Step 3: The Initial Screening Process

The initial screening can be a broad-brush data analysis. Because they are universal, the IPEDS data can be used to eliminate the obvious when viewed against the target institution. This can use a fairly direct approach such as comparing counts and percentages. In any event, the evaluation requires some analytical, and substantial judgmental processes.

An IPEDS data based screening process is clearly defined by Teeter and Christal (1987). The process uses measures on role and mission, public or private control, Carnegie classification, geographical

location, mix of rural/urban environment, and institution demographics. Demographics can include enrollment size, the number/percent of completers in broad discipline areas, revenue and expenditure category rates, research expenditures, and more. This should emphasize measures that describe the target institution's uniqueness.

Using IPEDS data and their tool kit of techniques, the data analyst can reduce several hundred possible peers to a selection group of about two dozen peer candidates. An interesting shock phenomenon is that a return to this process in a few days can result in adding at least one overlooked, but viable peer candidate.

Step 4: Data Fact Finding and Information Gathering

This involves going beyond the data used for the initial screening process. The more discriminating IPEDS variables can be retained. For four-year institutions, some useful published measures are the number and kind of program accreditations, the professional programs offered, student/faculty ratios, percent faculty with a doctoral degree, tuition and fees, and percent part-time enrollment, to name a few. Also, useful for two-year institutions are the funding control (state, district or county, and local), one or multiple campus locations, and the mix of higher cost versus lower cost programs.

Peterson's *Two Year Colleges* (1992), Barron's *Profiles of American Colleges* (1992), Peterson's *Register of Higher Education* (1995) and Lovejoy's *College Guide* (1993) have useful information. Budget information is available on a national basis from IPEDS. Otherwise the data analyst might need to develop a survey specifically directed to the selection group institutions. For medical schools, reliable sources are obtained through organizations including the American Medical Association, the National League of Nursing, the National Institute of Health, and other.

You can expect published data that are nationwide to be at least one year old, and two year and older data are common. This is not a real problem, so long as current conditions are not substantially changed.

Potential criticism is removed if the data are the most current available. At a later step, when the peer list is reduced to a selection group, then it is desirable to have a fair number of current year measures.

Data fact finding is a role for the analyst - a person from institutional research and planning, or budget offices.

Step 5: Developing a Model for Screening Potential Peers

Several approaches are available to review the two dozen peer candidates. The purpose is to make in-depth comparisons of the selected institutions individually, and collectively, against the target institution. Alternative data/information models can be used to give multiple snapshot views of the institutions.

The kinds of models range from data models to information models. Data models use numerical facts. Information models use facts that express knowledge and may be either numerical, or non-numerical. With consultants, the use of data facts can have limited value. Here data facts may serve as one of multiple sources for reinforcing comparatives from their experiences or knowledge about an institution. So, a consultant might use both kinds - data and information models.

It can be useful to identify the selection group institutions to a few key persons. These wise reviewers include consultants, the target institution president, or possibly an academic statesman. Any institutions that surface as a bad fit can be further researched. Also, seeing a list can flush out a few viable institutions that were previously discarded, or were overlooked.

Step 6: Making the Final Selection

Simply put, making the final selection requires a mix of art, science, and politics. This should be a small group experience, limited to those individuals who originally established the purpose for defining the peer list, plus any consultants. Expect some politics to surface, and expect some compromises to occur. Here are some guides:

- Ten to twelve peer institutions is a manageable number.
- A fair number, possibly four to six peer institutions can be identified with a modest effort.

- Some compromises will be required.

The characteristics given extra importance should describe the target institution's mission or its uniqueness. Here is a place to use the seasoned experience of consultants.

Given limited information, we are more likely to accept a known entity; however, given more information our personal biases can become a reduced factor in making peer institution choices. Expect a refined information gathering process here. Call President X at peer candidate university Y, and matter-of-fact ask, for example, what are the areas of existing doctoral programs, the areas of research emphasis, or the percent of students that are commuters. Depend on your consultant's expertise to refine choices, with explained rationalizations that are consistent with other information. Remember: Those who set the purpose, need to make the final selection.

Step 7: Validation of the Peer List

Peer list use can also serve as a validation tool. Provided they are within the defined purpose, immediate uses can include budget survey comparisons, review of new program proposals with similar programs at the peer institutions, and student's tuition and fees portion of the total instruction cost from state and local appropriations plus student tuitions and fees.

One usage was a comparison of the target institution's FTE student to faculty ratio against the median for its peer list. This used annual budget information and comparable peer readings obtained from a peer survey. With two exceptions, the institution's ratios were within the boundaries of their peer's ratios. The results indicated that the peers did provide a reasonable benchmark for the target institution.

Another check is to view the list against a previous peer list for the target institution. This can validate those institutions appearing on both lists. And, you can verify that those institutions removed, provide no better images than those added.

Relation of Data Analysis and Reasoning

Building data and information models is a substantial part of the total effort. Three alternative data/information models are described. A separate example illustrates each.

A Data Model

Here the data are used to make numerical comparisons. In each comparison, the target institution provides a standard against which each potential peer institution is evaluated. Realistically, no two institutions will be identical. A data model provides comparability on multiple variables to find institutions that are as close as possible and collectively tend toward the target institution's characteristics.

A data model uses measures of the comparability and similarity to determine a selection of peer institutions. Comparability is based on measures of central tendency - the arithmetic mean and the median - as positional closeness measures. A desirable characteristic for any peer list is for its mean and median to be numerically close to the target institution's value. The mean and the median give a consistency check; the nearer their values, the more balanced are the individual numbers for the peer institutions. A measure on the similarity of the individual peer institution numbers within the peer group adds another statistic - the coefficient of variation.

Ideally, for every characteristic, the peer group's mean and median would equal the target institution value, and the coefficient of variation would be a number close to zero. The degree that this is achieved, determines the peer list's comparability and similarity, respectively. However, since two universities are not exactly alike in their characteristics, this is an ideal that becomes simply a standard for measuring improvement as institutions are evaluated for inclusion into a peer list. Thus, the data model approach is one of relative comparisons. The selection uses a repetitive process to identify a set of peers that is best in comparability and similarity. The data in Table 1 can illustrate the process.

Table 1

A Data Model for Screening Peer Institution Candidates

	Number of Programs			
Institution	*Associate*	*Bachelors*	*Masters*	*Doctoral & Professional*
Target	0	60	30	0
List 1				
Peer #1	0	53	29	0
Peer #2	0	60	35	0
Peer #3	8	78	46	1
Mean	2.7	63.7	36.7	0.33
Median	0	60	35	0
Coefficient of Variation	1.7	0.2	0.2	1.8
List 2				
Peer #1	0	53	29	0
Peer #2	0	60	35	0
Peer #4	3	73	25	0
Mean	1.0	62	29.8	0
Median	0	60	29	0
Coefficient of Variation	1.7	0.16	0.17	0

Table 1 illustrates an advantage and a disadvantage of the data model. The advantage is visibility of the data and results. Here List 2 is obviously better because its comparability and similarity are both improvements over List 1. The disadvantage is that often one list is not obviously better. A judgement is required to decide which is best. The data model can produce inconclusive results.

An Analytical Model

This builds upon a data model and uses a multi-variable statistical analysis to obtain a selection of peer institutions. This model uses statistical procedures of factor and cluster analysis. Terenzini, Hartmark, Lorang, and Shirley (1980) provide a detailed description of the analytical processes. An example captures the essence of the procedures. Table 2 illustrates the data structure.

Table 2

An Analytical Model for Screening Peer Institution Candidates

Variables	*Factor 1 Institution Size*	*Factor 2 Budget*	*Factor 3 Graduate Prog.*	*Factor 4 Higher Cost*
FTE Enrollment, 89-90	.93295			
Headcount Enrollment, Fall 91	.90723			
Full-Time Faculty Count	.84013		.42361	
Number of Graduate Programs	.80983			
Total Expenditures per FTE Student, 89-90		.86406		
State and Local Revenues per FTE Student		.81950		
% of all Completers: Business or Education		-.71227		
Expenditures for Instruction per FTE Student		.66172	.43054	
% of all Completers: Graduate Students			.89053	
% of all Programs: Graduate Level			.86189	
% of all Completers: Health Science & Engineering				.79228
Total Library Volumes				.70058
% of Full-Time Faculty with Ph.D. Degrees				.66946
Research Expenditure ($ Millions) 89-90				.50668

In Table 2, the factors capsulize the information that is contained in the variables. The numbers in the table, which are correlations, indicate the degree that a factor captures the information that is contained in a variable. A number close to either +1 or -1 indicates more information is available to determine cluster groups. Those institutions that are most nearly like the target institution for the designated factors, will appear with it as a cluster group.

An advantage of the analytical model is it provides a set of peer institutions that eliminates most judgement decisions. A disadvantage is that the results are a black-box solution. For other than a statistician, validating the results requires viewing the data, then making judgment comparisons to data facts

and information. Also, there is no guarantee the process will identify a single cluster of 10 to 12 peers with the target institution.

An Information Model

This is basically a qualitative rather than quantitative summarization. Data facts, if used, are summarized by some method of prioritizing the importance of the available information. Because it uses an accumulation of information and experience, the process is not easily reproduced. An example illustrates the rational thinking.

Example: Several statements indicate a consultant's perceptions on a peer appraisal for a research center.

- This institution is a component of a comprehensive state university. As such, its primary role and missions are to benefit the people in education, research, and professional service.
- The chief executive officer of the research center reports to the chief academic officer, the president. This gives the institution the authority to control and direct educational and research programs that are based in the research center.

An advantage of the information model is its simplicity. Information is obtained from data facts, from personal experience, and from people. The consultant-modeler then builds a logical path to determine those institutions to become peers. A disadvantage is that since much of the information resides only in the consultant's mind, there is no well defined path to trace the selection process. Thus, it can be useful to require that consultants place some of their logic in print. Using this model becomes a matter of accepting the consultants' knowledge and their processes used in selecting peers.

How does one determine which data or information model to use? An answer is, No one approach is best for all situations. But here are some observations:

- The data model can be reasonably accepted by presidents and policy makers, provided the results are consistent with their experience.

- The analytical model can be viewed as a "black-box" or a "black-hole." If used, it needs to be supported with data display, or a data model that reinforces the analysis results.
- An information model can work well when consultants are used. This is because consultants have the authority to make peer selections with limited substantive data support.

The most appropriate model depends upon availability of data, the decision group's comfort level toward data and analysis models, and whether consultants are used. Timely data are not readily available for a medical facility or other specialized institution peer investigation. This can dictate the use of consultants, and likely an information model. Otherwise, a data or an analytical model provides verifiable support for peer choices.

Using Data Findings and Reasoning

Any model needs to be used with good judgment. Selecting peer institutions ultimately becomes a matter of weeding out those candidates that detract the most from a mirror image group. Here are some suggestions:

- Look for institutions with extreme numbers, above twice the size, or under one-half the target institution's value. Institutions with repeated extreme numbers are likely not viable as peers.
- Look for institutions that consistently nearly match the target institution's characteristics. These are viable peer candidates.
- Avoid duplicated measures, such as using both percentage of undergraduates and percentage of graduates. Since either one provides their total information, using both produces a weight that distorts the importance of the measure.
- Use data measures that provide fair comparisons. For example, use instruction cost per full-time equivalent, FTE, students rather than using total dollar instruction costs.
- Look at multiple, non-duplicating views such as headcount enrollment and FTE students.

- Include information for all of the target institution's uniqueness traits.

The bottom line is that individual peers should meet the requirement of benchmark institutions with size, program mix, and mission similar to the target institution.

It is easy, but a fallacy, to simply let data determine the selection of peers. As Teeter and Christal point out, "Peers produced by quantitative methodologies must be further evaluated by subjective or 'informed' judgments in selecting a final group of peers. Analyses of numbers are not a substitute for good judgment, but rather should enhance and inform judgment."[5]

A substantial effort is given to the careful examination of data with numerical comparisons to the target institution. In the end, the selection of a peer group will be in part subjective. That is because no two institutions are exactly alike, and some of their differences may not be readily measurable. Then these comparatives become judgment or qualitative estimates of the similarities. The result of using a broad-selection of objective data can be to reinforce the more subtle subjective appraisals, so that the choice of peers will withstand the double test of reasoned scrutiny and quantitative validity.

The following discussion on checking mechanisms and long term evaluations is not essential to defining a peer selection process. Yet, these observations might be useful for other peer selections.

Checking Mechanisms

In several areas, there can be mechanisms built into the process that can provide checks on the planning model. Here is a partial list:

- Geographical proximity and other "natural" conditions
- Information from multiple sources and using multiple data/information models
- Using consultants
- Ad hoc comparisons
  - Previously developed peer lists
  - Published rankings

- Peers of peers

These mechanisms are not essential to a reasonable selection process. They can help to confirm, or at least support the seven planning steps.

Geographical Proximity

Restricting the geography to a region of boundary and near states, excludes institutions in all other geographical locations. This restricts the universe by excluding some percentage of the potential peers. Then, there is a limited possibility of getting the best available mirror image peer list. For example, for medical schools, a restricted geography can reduce the universe to such a small number of potential peers, that there remains a limited opportunity to be selective.

Other natural conditions include city size, private versus public funding, and the target institution's unique role and mission parameters. These institution specific conditions can be worthwhile constraints for a peer selection

Information from Multiple Source and Using Multiple Data/Information Models

Data fact finding and information gathering uses multiple sources. The IPEDS data can provide a base of data information. The published postsecondary-fact annuals can add to the base. These multiple sources can provide quite similar institution demographics, so allow a cross check for data accuracy. However, except for IPEDS, budget data are not readily available for national comparisons.

Using multiple data/information models was experienced with only moderate success. A data model was used in all cases. An analytical model lacks visible data to support the end result. So, a data model can support an analytical model by providing a display of the data and by providing statistics that give consistency and similarity checks. Also, a data model can be used as a building block in an information model. Here, the data tables and statistics can provide a visible support for the consultant's conclusions.

Using Consultants

Here are some ways to get a return for the cost of employing consultants:

- Where data sources are scarce, ask their help in obtaining data.
- Invite them to lead meetings with focus groups.
- Suggest they meet behind closed doors with key people to discuss any pertinent, but privileged information about the target institution.
- Provide them reasonable resources in data analysis and secretarial assistance.
- Require, in writing, something that you can use to explain their logic and processes they used in making their recommendations.

Consultants are essential for peer reviews of specialized schools including medical centers. In any use, consultants can participate in the planning phase. They can help identify the target institution's uniqueness. They should recommend sources for data and information at the fact finding and information gathering stage. And, they can assist in developing a model for screening potential peers. Finally, they can recommend a peer list to the decision makers.

Ad hoc Comparisons

Several off-the-shelf items can insure a peer list's integrity. Provided there was a previous peer list, this gives a way to evaluate change, so to validate the choice of peer institutions. Those institutions that are retained as peers are compared with the target at two points in time. Their characteristics should remain parallel. For the institutions that are dropped, the change should be a contrast, or moving away from the target institution.

Published rankings for postsecondary institutions are available from periodical reports including the U.S. News *America's Best Colleges* (1993), and the *Gourman Reports* (1993). I have found this information useful for comparisons after-the-fact of completing the peer selection.

Contacting the selected peer institutions produced lists of the peer's peers. The assumption was that benchmark institutions would have a similar set of peers. In this project, the request was to obtain a peer list that was selected for purposes of budget and program review. The finding was a small overlap of peers. A conclusion is that uncontrollable factors prevent a fair validation by viewing peers of peers. Some of these factors are differences in the timing of peer group selection, a narrower or broader purpose, and different philosophies on restricting the geographical boundaries and other key parameters. Still, a related peer list can be used to check for a few possible institutions that can improve the overall peer group fit.

Long Term Evaluation of Peer Groups

A periodic review by surveys, and especially with the IPEDS data allows tracking the peer institutions for changes. With time, it becomes possible to reconstruct data tables on newer data for enrollments, programs, completers, and essential budget information that can identify shifts away from the target institution. Some of this comparative can be a part of the ongoing budget or program review process.

Some colloquial peer lists, such as land grant institutions or Ivy League schools, might be retained for ten or more years. However, because there is rapid change in higher education financing and in enrollment patterns, it is advisable to run a validation check within two to five years. One option that assures short term backups is to choose a list of twelve peer institutions, with ten named as active peers. Then, in time, if one or two peers are deemed inappropriate, there is a short list for replacements.

Conclusions

Selecting peer institutions is a combination of science, art, and politics. A first requirement is a precise definition of the purpose for building a peer list. Other building blocks are a definition of the target institution's uniqueness, and a reasonable amount of information that often includes IPEDS postsecondary data. Given these tools, reasonable processes are known for reducing several hundred potential peers to a selection group of about two dozen institutions.

A peer list needs ten to twelve peer institutions. About four to six obvious peers are easily singled out. The identification of current, discriminating data and pertinent information are key to identifying the remainder. Because the peer list may be used for program or budget evaluation, it is appropriate to have acceptance from faculty and administrative staff. Ownership goes with participation. This can be achieved using focus groups that include faculty senate and selected administrators at the information gathering step. Consultants can help here by motivating group participation, and by focusing comparisons on the most relevant criteria.

The people who approve the peers should be the same people who earlier defined the purpose for the selection. Given a well thought out plan, the politics can be minimized. Still, you can expect the final selection of peer institutions will require additional fact finding, new information, judgments and compromises, and multiple meetings.

The selection of peer institutions does not complete the process. Using the peer list for its intended purposes will provide a sense of its utility. And, because there is change, there will be a need to redevelop the list in about two to five years.

Footnotes

[1]Joey Adams. (October 1994). Laughter. The Best Medicine. *The Reader's Digest*, p. 71.

[2]Coordinating Commission for Postsecondary Education--Nebraska. (June 1992). *Comprehensive Statewide Plan for Postsecondary Education*, p. 29.

[3]Research Associates of Washington. (1992). *Higher Education Revenues & Expenditures. A Study of Institutional Costs*, p. 259.

[4]David R. Powers and Mary F. Powers. (1983). *Making Participatory Management Work*. San Francisco: Jossey-Bass Publishers, p. 114.

[5]Deborah J. Teeter and Melodie E. Christal. (1987). Establishing Peer Groups: A Comparison of Methodologies. In *Planning for Higher Education*, 15(2): 8-17.

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